GOVERNMENT OF ANDHRA PRADESH
ABSTRACT

Municipal Administration & Urban Development Department – Swachha Andhra Corporation – Establishment of Waste to Energy (WtE) Plants at Vijayawada and Tirupati under PPP mode – Fixation of Power Tariff for the purpose of availing Viability Gap Funding (VGF) from Department of Economic Affairs, Ministry of Finance, Government of India – Orders – Issued.

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MUNICIPAL ADMINISTRATION & URBAN DEVELOPMENT (K) DEPARTMENT

G.O.RT.No. 1305 Dated: 20-11-2025

Read the following :-

1. G.O.Rt.No.582, MA&UD Department, dated 17.06.2025.
2. G.O.Rt.No.718, MA&UD Department, dated 25.07.2025.
3. E-file No.3024719 received from the Managing Director, Swachha Andhra Corporation.

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ORDER:-

In pursuant to the instructions of Hon'ble CM in the meeting held on 27.09.2024, Government have taken up establishment of six (6) Waste to Energy (WtE) Plants across the State to process and dispose Municipal Solid Waste in an environmentally sustainable manner. Of these four WtE plants at Nellore (12 MW), Kakinada (15 MW), Kadapa (15 MW) and Kurnool (15 MW) have already been finalized through competitive bidding by NREDCAP. The power tariffs finalized for these projects range between Rs.7.50 and Rs.8.10 per unit which are significantly lower than the CERC ceiling tariff of Rs.10.47 per unit for FY 2025–26.

2. Government have accorded approval for establishment of two additional Waste to Energy Plants at Vijayawada (15 MW) and Tirupati (12 MW) vide references 1st and 2nd cited above, for handling 1023 TPD and 600 TPD of Municipal Solid Waste Respectively, under PPP mode.

3. In the reference 3rd cited, Swachha Andhra Corporation (SAC) has proposed to avail Viability Gap Funding (VGF) support for these two projects from the Department of Economic Affairs, Ministry of Finance, Government of India, under the Scheme for Financial Support to PPPs in Infrastructure. As per the VGF Guidelines, pre-determination of power tariff is mandatory requirement prior to submission of proposals to DoE, GOI.

4. Based on the competitive bidding process carried out for the existing four WtE projects and in comparison with the Central Electricity Regulatory Commission (CERC) tariff order for 2025–26 (Rs. 10.47 per unit), the following tariffs have been found to be lowest and reasonable for adoption as pre-determined power tariff for the proposed projects:

(P.T.O)

Sl. No.	Project Location	Capacity	Tariff Proposed (Rs. per unit)	Justification
1	Vijayawada WtE Plant	15 MW	7.50	Lowest among 15 MW WtE projects finalized through competitive bidding and below the CERC tariff order (Rs.10.47).
2	Tirupati WtE Plant	12 MW	7.95	Lowest among 12 MW WtE projects finalized through competitive bidding and below the CERC tariff order (Rs.10.47).

5. The Energy Department after careful examination, has approved fixation of tariff rate at Rs. 7.50 per unit to Vijayawada WtE Plant and Rs. 7.95 per unit to Tirupati WtE plant.

6. In view of the above, Government hereby order for the adoption of the following pre-determined power tariffs for submission of proposals to the Department of Economic Affairs, Ministry of Finance, Government of India, under the Viability Gap Funding Scheme:

i. Vijayawada WtE Plant (15 MW) – Rs.7.50 per unit
ii. Tirupati WtE Plant (12 MW) – Rs. 7.95 per unit

7. The Managing Director, Swachha Andhra Corporation, shall take further necessary action for submission of proposal to the Department of Economic Affairs, Ministry of Finance, Government of India, for sanction of VGF support, duly enclosing the prescribed Certificate relating to User Charge/Tariff as per Rule 3 of the Scheme for Financial Support to PPPs in Infrastructure.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

S SURESH KUMAR
PRINCIPAL SECRETARY TO GOVERNMENT

To
The Managing Director, Swachha Andhra Corporation, Vijayawada.
Copy to:-
P.S. to Hon'ble Minister (MA&UD).
The P.S. to Chief Secretary to Government.
The PS to Special Chief Secretary to Government, Energy Department, AP
The PS to Principal Secretary, MA&UD
The Commissioner & Director of Municipal Administration, A.P.
The Managing Director, NREDCAP, Vijayawada.
SF/SC.

// FORWARDED :: BY ORDER //

SECTION OFFICER